

# SECTION W

## Summary

# SUMMARY OF THE 2004 NEBRASKA TAX EXPENDITURE REPORT

## SECTION A - Sales and Use Tax, Nebraska and Local Option Tax Expenditures Actual or Estimated

Page		Tax Expenditure Cost NA = Not Available
	<b>Exemptions</b>	
A2	Sales of property intended for resale, rental, or lease	\$1,413,00,000
A2	Rebates granted by motor vehicle or motorboat dealers or manufacturers	12,100,000
A2	Occasional sales:	
	An intercompany sale	NA
	Garage sales	1,500,000
	Business or farm machinery and equipment	NA
	Property by a religious organization	NA
	Property of a trade or business to a single buyer	NA
A2	Room rentals made by hospitals, nursing homes, college dorms and other such facilities licensed by the state	50,846,000
A2	Lodging rented for 30 days or longer	60,700,000
A3	Cash discounts taken on sales	1,777,000
A3	Separately stated finance, service, or interest charges on credit extended under a deferred payment plan	253,000
A3	Value of trade-ins taken with a sale of property	2,757,000
A3	Trade-in value of a motor vehicle	89,665,000
A3	Purchases by the U.S. government	(State taxation prohibited)
A3	Fuel for use in aircraft	7,600,000
A3	Minerals, oil, and gas severed from the ground	5,750,000
A3	Motor vehicle fuels	116,000,000
A3	Newspapers and ad supplements issued at least once a week	5,377,000
A3	Leased property sold to a lessee	NA
A3	Prescription medicines, medical equipment, and supplies	54,054,000
A3	Meals and food served by schools	3,131,000
A4	Meals and food products sold by a church	576,000
A4	Meals and food served to patients and inmates of hospitals and other institutions	9,506,000 or 5,247,000
A4	Wire orders received by Nebraska florists	502,000
A4	Fees charged by ballot candidates/political party committees	Minimal
A4	Fees charged by schools at functions	1,049,000
A4	Property retained solely for transporting out-of-state or to be incorporated into other property which will be transported out-of-state	2,905,000
A4	Charges for fabrication of property owned by a customer	NA
A4	Purchases made by religious organizations, schools, colleges, universities, hospitals, nursing facilities, etc.	38,321,000
A5	A contractor appointed as the purchasing agent of the above entities	8,986,000

A5	Refund of sales and use tax to organizations not using purchasing agents for construction or repair projects	NA
A5	Sales and purchases of energy sources and fuels when more than 50 percent of the amount purchases if for irrigation or farming	\$57,400,000
A5	Sales and purchases of such energy sources or fuels	61,200,000
A5	Water used for irrigation of ag land and manufacturing purposes	1,215,000
A5	The use of coin-operated machines used for laundering and cleaning, except the cleaning or washing of motor vehicles	690,000
A5	Purchases by state or local governments	168,000,000
A6	The appointment of purchasing agents as related to above	(includes above)
A6	Purchases made by the Nebraska State Fair Board	53,000
A6	Purchases made by NIFA, the SBD Authority, and licensees of the State Racing Commission	Minimal
A6	Motor vehicles purchased by the V.A. or the Dept. of H.H.S. Finance and Support for a disabled person	39,000
A6	Semen used in ranching, farming, or commercial use	557,000
A6	Food excluding meals prepared for immediate consumption	114,650,000
A6	Meals furnished at fraternities, sororities, co-ops, or summer camps	406,350
A6	Property sold by parent-booster clubs, parent-teacher-student associations, and stores approved by an elementary or secondary school	102,000
A7	An aircraft delivered here to a nonresident when the aircraft is not to be registered or based in this state	NA
A7	Railroad rolling stock including rental or lease	8,760,000
A7	Rentals of railroad rolling stock pursuant to the Interstate Commerce Act	984,000
A7	Agricultural machinery for use in commercial agriculture	13,400,000
A7	Lottery tickets sold pursuant to the State Lottery Act	5,000,000
A7	Sales of syndicated programming for rebroadcast by radio or television station	NA
A7	Sales of molds, dies, and patterns	NA
A7	Animal life whose products constitute food for human consumption	333,570,000
A7	Copies of public records, except those made available for sale to the general public	NA
A7	Industrial machinery and equipment, including parts for repairs, by another state if the other state provides a reciprocal exemption	NA
A7	Property purchased for transporting out-of-state	668,000
A7	Any person who purchases property in another state with the intent of using such property at that location	NA
A8	Property which becomes part of property manufactured for resale	654,894,000
A8	Seeds and plants sold, the products being for human consumption	16,043,000
A8	Ag chemicals applied to land or crops	31,619,000
A8	Oxygen for use in aqua-culture	NA
A8	Nonreturnable containers, containers which hold contents not subject to sales tax, and returnable containers when sold with the contents or when sold for refilling	20,523,000
A8	Property which has been taxed in another state	NA
A8	Materials and parts used in common or contract carriers; the purchase of such vehicles, watercraft, or aircraft; the purchase of accessories; and the purchase of equipment required by a regulatory agency	19,982,0000
A8	Gross receipts from sales of telecommunications service between telecommunications companies	9,547,000
A9	Telephone services rendered using a prepaid telephone calling arrangement	952,000

A9	Gross income received from videotape, film rentals, and satellite programming (when tax is charged on the admission or service)	\$1,367,000
A9	Food or food ingredients purchased by electronic benefits transfer or food coupons	4,900,000
A9	Certain contractor labor; exemptions	165,970,000

#### **Credits and Refunds**

A9	Refund for tax paid on materials annexed outside the U.S.	NA
A9	Credit or refund is given when a written contract exists for a construction project and the rate is increased during the term	NA
A9	Credit is given to the retailer for sales charged off as worthless for income tax purposes and a credit is given for the portion of the purchase price remaining unpaid at the time of repossession	NA
A9	Refund for sales tax paid on repairs or parts for farm equipment	NA
A10	Refund for sales taxes paid on an air or water pollution control facility	27,000
A10	Employment Expansion and Investment Incentive Act	(See section V)
A10	Employment and Investment Growth Act	(See section V)

#### **Deductions**

A10	Collection fee taken by retailers	11,082,000
A10	The state deducts from the local sales tax proceeds the amount of refunds and a three percent administrative fee	7,246,000

## **SECTION B - Property Tax**

#### **Exemptions**

B3	Property of the Conservation Corporation	NA
B3	Municipal airports and landing fields	NA
B3	City airport authorities	NA
B3	County airport authorities	NA
B3	Joint airport authorities	NA
B3	Cemetery associations	NA
B3	Burial lots sold by a cemetery association	NA
B3	Metropolitan cities	NA
B3	Municipal parking authorities	NA
B3	Metropolitan transit authorities	NA
B3	Primary class cities	NA
B3	Redevelopment authorities	NA
B3	Corporations organized for holding property in trust	NA
B4	Industrial development public corporations	NA
B4	Hospital authorities	NA
B4	Property held by the Nebraska Game and Parts Commission	NA
B4	Ditches or other works used for irrigation purposes	NA
B4	Public museums	NA
B4	The Nebraska Investment Finance Authority	NA
B4	The Small Business Development Authority	NA
B4	The state and its governmental subdivisions	NA
B4	Agricultural and horticultural societies	NA
B4	Educational, religious, charitable, or cemetery organizations	NA
B4	Household goods and personal effects	NA
B4	Value of land due to trees planted along the highway	NA

B4	Property not depreciable	NA
B4	Vehicles paying a registration fee in-lieu-of ad valorem taxes	NA
B4	Business and agricultural inventory	NA
B5	Qualifying personal property exempt from property tax under the "Employment and Investment Growth Act" (LB 775)	(See section V)
B5	Mobile home and vehicle owned by a disabled or blind veteran	NA
B5	Space provided for supportive medical services	NA
B5	Married claimants 65 years of age or over with household income of less than \$31,501	NA
B5	Single claimant 65 years of age or over with household income of less than \$26,751	NA
B6	Married veteran totally disabled by non-service connected accident or illness with household income of less than \$33,951	NA
B6	Single veteran totally disabled by a non-service connected accident or illness with household income of less than \$29,401	NA
B6	Married disabled individual with household income of less than \$33,951	NA
B6	Single disabled individual with household income of less than \$29,401	NA
B7	Married veteran drawing compensation from DVA for 100 percent service-connected disability with household income of less than \$33,951	NA
B7	Single veteran drawing compensation from DVA for 100 percent service-connected disability with household income of less than \$29,401	NA
B8	When Game and Parks Commission acquires private lands, they shall make payments in-lieu-of taxes as were made for the year prior to such acquisition to the county treasurer of the county in which the land is located	\$326,983
B8	Land valued for agricultural use	NA
B8	Public corporations and political subdivisions paying in-lieu-of-taxes	979,216
B9	2003 Homestead Exemption Reimbursement	46,580,543

### SECTION C - Individual, Fiduciary, Corporation Income Tax, and Financial Institution Taxes

#### Exemptions

C3	Nebraska's income tax system Federal tax credits not recognized unless specifically approved. Any federal taxable income that is exempt from state taxation pursuant to federal law is not taxed by Nebraska.	NA
C3	A taxpayer with less than \$5,000 in adjustments increasing federal AGI shall not have a state tax liability greater than their federal income tax liability	659,000
C3	Interest or dividends on obligations of the United States and dividends from a regulated investment company	13,786,000
C3	Net operating loss derived from Nebraska sources	6,956,000
C4	State income tax refunds included in federal AGI	3,518,000
C4	Dividends received from corporations not subject to the Internal Revenue Code	NA
C4	Corporate taxpayers subtract a portion of the income subject to tax by a foreign country	8,825,000
C4	Income shall exclude any amount repaid by the taxpayer for which a reduction in federal tax is allowed under section 1341(a)(5)	NA

C4	Deduction by the amount of contribution made to the Nebraska Educational savings plan trust	\$900,000
C5	Individual standard deduction	142,061,000
C5	The greater of either the standard deduction or all federal itemized deductions except for state or local income taxes paid	202,019,000
C5	Carry forward of net operating loss	14,685,000
C5	Certain awards to individuals and businesses under LB 254 (Relocation Assistance Act)	NA

#### **Exclusion**

C5	Gain from the sale or exchange of capital stock of a corporation acquired by the individual	37,053,000
C5	Exclude the portion of the income received from a small business corporation that is not derived from or connected with Nebraska sources	28,263,000

#### **Credits**

C6	Credit for the elderly and disabled	30,000
C6	Credit for child/dependent care	3,861,600
C6	Credit for income tax imposed on them by another state	22,956,700
C6	Refundable credit under the Beginning Farmer Tax Credit Act	33,000
C6	Credit for contributions to certified community betterment programs	63,000
C6	Nonrefundable credit	117,376,600
C6	Dual resident taxpayers allowed to reduce the tax on portion of income subject to tax in both jurisdictions	Minimal
C7	Credit for the amount of in-leu-of intangible tax paid	7,918,000
C7	Gasoline for agriculture, quarrying, industrial, or other non-highway use credit	
	Net credit allowed	6,375,000
	Agricultural Alcohol Fuel Tax Fund	384,000
	Administrative fee	0.00
	Total credit	5,991,000
C7	Employment Expansion and Investment Incentive Act	(See section V)
C7	Employment and Investment Growth Act	(See section V)
C7	LB 829 (Quality Jobs Act)	(See section V)
C8	LB 936 (Rural Economic Opportunities Act)	(See section V)
C8	LB 620 (Invest Nebraska Act)	(See section V)

#### **Preferential Tax Rates**

C8	The corporation income tax rate on the first \$50,000 of taxable income is 150.8 percent of the primary rate	6,977,800
C8	Insurance companies	NA
C8	The individual and fiduciary income tax rates are calculated as a percent of the primary rate	NA

### **Financial Institution Taxes**

#### **Exemption**

C9	Federal credit unions and mutual fund companies	355,000
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#### **Credit**

C9	Credit for contributions to community betterment programs	38,500
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## SECTION D-Railroads, Public Service Entities, Car Lines, and Air Carrier Flight Equipment Property Tax

### Exemptions

D3	Governmental Subdivision and Not-For-Profit Organizations	NA
D3	Railroad Personal Property	\$0
D3	Public Service Company Personal Property	0
D3	Air Carriers Flight Equipment	0
D3	Collection fee (Car lines)	111,332
	Collection fee (Air Carriers)	47,801

## SECTION E-Alcoholic Beverages Tax and Fees

### Exemptions

E2	The possession of alcoholic liquors for personal use	NA
E2	The making of alcoholic beverages if used solely for the use of the maker	NA
E2	The use by a physician or dentist in the practice of their profession	Minimal
E2	The use by a hospital or other institution caring for the treatment of patients	NA
E2	The use by a drugstore in the compounding of prescriptions of licensed physicians	NA
E2	The dispensation of wine by any church for religious ceremonies	NA
E2	Liquors shipped out-of-state for consumption outside Nebraska	NA
E2	Dry or fortified wines used for sacramental purposes	NA
E2	Beer sold to a manufacturer for use in the manufacture of patent and proprietary medicines; flavoring extracts; scientific, industrial, and chemical products; for scientific, chemical, experimental or mechanical purposes	0
E2	The tax is not imposed where prohibited under the United States Constitution and federal law	NA
E3	No tax is imposed upon the U S Armed Forces engaged in resale activity	NA

### Deduction

E3	The manufacturer or distributor is allowed a discount of one percent of the tax for timely payment of the tax	203,579
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### Credits

E3	A credit is allowed for tax paid for: (1) beer shipped out of Nebraska, and (2) beer returned to the manufacturer	34,122
E3	A credit is allowed for the amount of tax paid by any instrumentality of the United States Armed Forces engaged in resale activities	18,876

### Preferential Tax Rates

E3	Different rates of tax:	
	Beer - \$0.31 per gallon	\$0.01 increase would generate \$437,767 additional revenue
	Wines - \$0.95 per gallon	\$0.05 increase would generate \$98,097 additional revenue
	Alcohol and Spirits - \$3.75 per gallon	\$0.05 increase would generate \$106,055 additional revenue
	Wine from farm wineries - \$0.06 per gallon	\$0.05 increase would generate \$1,241 additional revenue

## SECTION F-Bingo, Lottery, Raffle and Lottery by Pickle Card Tax

### Exemptions

F4	Bingo taxes do not apply to any bingo game played for which no charge is made and/or when any prize awarded does not exceed twenty-five dollars in value	Minimal
F4	The state bingo tax does not apply on sales of supplies by a licensed distributor to a licensed organization or on the sale of such supplies by some other retail business to the general public	Minimal
F4	Any lottery conducted by a nonprofit organization with gross proceeds not exceeding \$1,000 or any raffle conducted by a nonprofit organization with gross proceeds not exceeding \$5,000	NA
F4	Federal law prohibits state regulation and taxation on bingo activities conducted by Indian Tribes on Indian land within Nebraska	NA

## SECTION G-Cigarette Tax

### Exemptions

G2	The portion of the wholesale dealer's stock which is not intended to be sold or given away	NA
G2	Federal law prohibits state taxation of cigarettes sold to the U.S. government or one of its agencies	\$1,490,600

### Deduction

G2	Discount of one and seven-tenths percent of face value of the tax is given as a commission for affixing and canceling of such stamps	1,169,916
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### Credits

G2	Unused or spoiled stamps are redeemed by the State Tax Commissioner	297,800
G2	Federal statutes and treaties prohibit state taxation of cigarettes sold to Native American Indians	139,500

## SECTION H-Corporation Occupation Tax

### Exemptions

H3	The listed activities of a foreign corporation are not considered to be transacting business in Nebraska and therefore exempt the corporation from imposition of the corporate occupation fee	NA
H3	All entities paying fees and making reports to the Auditor of Public Accounts or the Director of Banking and Finance, and all other corporations paying an annual occupation tax to the state are exempt	NA



## SECTION I-Documentary Stamp Tax

### Exemptions

I2	Deeds recorded prior to November 18, 1965	NA
I2	Deeds to property transferred by or to the government	NA
I2	Deeds which secure or release a debt or other obligation	NA
I2	Deeds which supplement a deed previously recorded but which do not extend or limit existing title or interest	NA
I2	Deeds between family members without actual consideration	NA
I2	Tax deeds	NA
I2	Deeds of partition	NA
I2	Deeds made pursuant to mergers, consolidations, sales, or transfers of the assets of corporations	NA
I3	Deeds made by a subsidiary corporation to its parent corporation for no consideration other than the cancellation or surrender of the subsidiary's stock	NA
I3	Cemetery deeds	NA
I3	Mineral deeds	NA
I3	Deeds executed pursuant to court decrees	NA
I3	Land contracts	NA
I3	Deeds which release a contingent interest	NA
I3	Deeds of distribution conveying to devisees or heirs property passing by testate or intestate succession	NA
I3	Deeds transferring property in a Native American Indian reservation	NA
I3	Deeds transferring property into a trust	NA
I3	Deeds transferring property from a trustee to a beneficiary of a trust	NA
I3	Deeds which convey property to any partner in the partnership	NA
I3	Leases	NA
I3	Easements	NA

## SECTION J-Transfer Taxes

### Deduction

J2	A deduction is allowed for the total amount of all estate, inheritance, legacy, or succession taxes paid. A deduction is allowed for the lesser of taxes paid to any state, D.C., possession of the U.S., or another formula	\$26,732,000
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### Credit and Refund

J2	A refund is allowed for any overpayment of estate tax	308,498
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## SECTION K-Inheritance Tax

### Exemptions

K2	The homestead allowance is exempt	40,120
K2	Exempt property is not subject to the tax	123,120
K2	The family maintenance allowance is exempt	22,160
K2	The first \$10,000 of the clear market value of property transferred to an immediate relative of the decedent is exempt	1,213,100
K2	Interests passing to the surviving spouse are not subject to tax	2,273,380
K2	The first \$2,000 of the clear market value of property transferred to remote relatives of the decedent is exempt	713,530

K2	The first \$500 of the clear market value of the beneficial interest in the estate received by someone other than an immediate or remote relative is exempt	\$204,600
K3	Payments received by an estate under an employee benefit plan are exempt	NA
K3	Property transferred to either (1) the United States or (2) Nebraska or any of its governmental subdivisions is exempt	NA
K3	All bequests to organizations organized for religious, charitable, public, scientific, or educational purposes is exempt	9,618,860

### **Deductions**

K3	The following deductions from the value of the property subject to the tax are allowed:	
	1. The cost of the funeral	1,133,800
	2. All expenses of administration:	
	Attorney fees	1,163,350
	Personal Representative's fees	435,600
	Court costs and recording fees	38,200
	Publication costs	10,330
	Bond	13,180
	Other administration expenses	551,600
	Expenses concerning property not subject to probate	52,500
K4	3. All expenses of the last illness	283,500
	4. All other debts upon which the decedent was liable	747,520
	5. Any federal estate tax paid	5,098,430

### **Credit**

K4	In the instance where a decedent has received property received property from another person who died within five years prior to the death of the decedent upon which Nebraska inheritance tax was paid because of the death of the prior decedent, such tax so paid is allowed as a credit against the amount of inheritance tax assessed against the recipients of property from the estate of the decedent	74,560
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### **Preferential Tax Rates**

K4	Property transferred to immediate relatives, remote relatives, and others:	NA
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		<b>Tax Rate</b>
Immediate Relatives	\$10,000.01 & over	1%
Remote Relatives	\$ 2,000.01-60,000.00	6%
	\$60,000.01 & over	9%
Other Transfers	\$500.01-5,000.00	6%
	\$5,000.01-10,000.00	9%
	\$10,000.01-20,000.00	12%
	\$20,000.01-50,000.00	15%
	\$50,000.01 & over	18%

## SECTION L-Insurance Premium Tax

### Exemptions

L3	Premiums on all annuity	Domestic:	\$953,294
		Foreign:	10,858,764
L3	Premiums for pension plan contracts which are described in section 818(a) of the Internal Revenue Code of 1954, as amended	Domestic:	75,056
		Foreign:	3,312,988
L3	Fraternal beneficiary associations		
	On gross premium written	Domestic	35,039
		Foreign:	1,535,384
	If dividend deductions were allowed	Domestic:	28,897
		Foreign:	1,485,859

### Deductions

L3	Contributions to the Nebraska Property and Liability Insurance Guaranty Association and Life and Health Insurance Guaranty Association	Domestic:	224,366
		Foreign:	1,526,364

### Deductions

L3	Companies whose scheme of operation contemplates the return of a portion of premiums to policyholders	Domestic:	47,999
		Foreign:	460,237
L3	Credit for contributions to Community Development Assistance Act	Domestic:	0
		Foreign:	0
L3	Contributions to the Comprehensive Health Insurance Pool	Domestic:	0
		Foreign:	0

## SECTION M-Local Occupation and License Tax

### Exemption

M2	All lectures, entertainments, and concerts	NA
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## SECTION N-Lodging Tax, Nebraska and County

### Exemptions

		State	Counties
N2	Some entities which are exempt from the sales/use tax and state/local government exemptions	256,700	676,260
N2	Federal government	NA	NA

### Deduction

N3	Administrative fee	0	223,140
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## SECTION O-Motor Vehicle Fuels, Aircraft Fuels, Diesel Fuel and Compressed Fuels Tax

### Exemptions

O4	Motor vehicle fuels and diesel-compressed fuels used by a metropolitan transit authority	\$358,500
O4	Foreign or interstate commerce (motor vehicle fuels tax)	NA
O4	Sold onetime only to another licensed diesel fuels distributor for resale purposes	26,740,000
O4	Diesel fuel dyed at the terminal rack and sold for non-highway use	NA
O4	Diesel fuel purchases-U.S. government or agencies	438,500
O4	Undyed diesel fuels used in the operation of temperature control units or power take-off units under certain conditions	NA

### Deductions

O4	Motor vehicle fuel importing dealer commission	5,847,452
O4	Aircraft fuels importing dealer commission	Minimal
O5	Diesel fuel dealer commission	617,424
O5	Compressed fuel retailer collection fee	Minimal

### Credits and Refunds

O5	Undyed diesel fuel used for various non-highway uses	7,286,600
O5	Compressed fuels and motor vehicle fuels sold on a Nebraska Native American Indian reservation to a Native American Indian residing there	183,200
O5	Refund of motor vehicle fuels tax on fuel:	
	Destroyed	Minimal
	Used by the U.S. Government or agencies	114,900
	Sold outside Nebraska	None
	Tax paid in error	Minimal
O5	Refund of aircraft fuel tax on fuel:	
	Destroyed	None
	Used by the U.S. government or agencies	Minimal
	Sold outside Nebraska	None
	Tax paid in error	None
O5	Refund of diesel fuels taxes on fuel:	
	Destroyed	Minimal
	Overpayment of taxes	Minimal
O6	Sold in a state outside Nebraska	None
O6	Tax paid on aviation fuels used in an FAA approved air school	Minimal
O6	Ethanol facility shall receive a credit of 7.5 cents per gallon	966,693
O6	Ethanol facility shall receive a nonrefundable transferable credit of 18 cents per gallon up to 15,625,000 gallons per year	6,547,085
O6	A holder of a permit to buy non-highway use gasoline who purchases for certain purposes is entitled to a refundable credit	NA (See income tax section)

### Preferential Tax Rates

O6	Aviation gasoline (five cents per gallon) versus aviation jet fuel (three cents per gallon)	1,080,000
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## SECTION P-Motor Vehicle Registration/ Licensing Fees

### Exemptions

P2	Exempt by definition from motor vehicle registration fees	NA
P2	Nonresident owner	NA
P2	Licensed dealer in motor vehicles or dealer in trailers	NA
P3	Licensed manufacturer	NA
P3	Finance companies	NA
P3	Transporter	NA
P3	Nonresidents in temporary ag. employment (temporary operation)	NA
P3	No registration fee is required for city/village motor vehicles	\$732,294
P3	Motor vehicle tax	NA
P4	Exempts motor vehicle tax for nonresident military personnel	NA

### Deductions

P4	County treasurers' collection fee for nonresident registration fees	NA
P4	County treasurers' collection fee for snowmobile registration fees	219

### Credits

P4	Nonresident refund of license fee	NA
P4	Registration fee credit for disabled and removed motor vehicle from a fleet of registered motor vehicles	NA
P4	Motor vehicle tax credit when re-registering under prorate provisions	NA
P5	Option to register several motor vehicles on the same date and credit for registration paid	NA
P5	Sold or lost motor vehicle and refund of fees	NA
P5	Disabled motor vehicles and refund of fees	NA

### Preferential Tax Rates

P6	Owners engaged in operating a fleet of apportionable vehicles	NA
P6	Special commercial registration fee for local vehicles solely operating within a ten-mile radius of a city/village	299,713
P6	Farm truck special registration fee	25,818,529
P6	Special fees for special purpose commercial trucks hauling livestock	NA
P6	Trucks used in soil and water conservation work (special registration fees)	97,888
P7	30-day farm permits	Minimal
P7	Special fees for trailers	NA
P7	Special fees for recreational vehicles	NA
P7	Well-boring apparatus special registration fee	318,103

## SECTION Q-Oil and Gas Severance Tax

### Exclusion

Q2	Severing, re-pressuring, or recycling use	NA
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### Exemption

Q2	Interests of government units and Native American Indian tribes	None
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### Preferential Tax Rate

Q2	Special rate for stripper wells	261,400
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## SECTION R-Pari-mutuel Wagering Tax

### Exemption

R2	First \$10,000,000 wagered at every racetrack (except State Fairgrounds)	\$770,700 or 1,270,700 (See section)
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### Preferential Tax Rate

R2	Racing at the State Fairgrounds is excluded from tax	515,470 or 265,470 (See section)
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### Credits

R2	Two percent of first taxable \$70,000,000 except State Fairgrounds races	1,429,134
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## SECTION S -Public Power and Irrigation Districts' Gross Revenue Tax

### Deductions

S2	Public power districts deduction from gross revenue tax (1957 in lieu of taxes)	979,216
S2	Public power districts deduction from gross revenue tax (city occupation tax)	323,960

## SECTION T-Waste Reduction and Recycling Fees

### Exemptions

T2	Exclusions from the definition of a qualified tire	784,500
T2	Resale of qualified tire	498,600
T2	Tires sold and delivered to another state	283,300
T2	Tires sold to the federal government and agencies	3,380
T2	Tires sold to Native American Indians	(Included in above)

### Deduction

T2	Collection fee	27,000
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## SECTION U-Nebraska Petroleum Release Remedial Action Fee

### Exemptions

U2	Denatured agricultural ethyl alcohol not blended with motor vehicle fuels or blended with gasoline at a pipeline terminal in Nebraska	NA
U2	Petroleum packaged in special individual containers	NA

### Credits

U2	Any fee paid on petroleum which was taxed and then exported	242,300
U2	Any fee paid on petroleum which was taxed and then sold to a federal agency	6,800

### Deduction

U2	Collection fee	28,000
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**SECTION V-Employment and Investment Growth Act  
Employment Expansion and Investment Incentive Act  
(Including the Enterprise Zone Act),  
Quality Jobs Act, Rural Economic Opportunities Act,  
and Invest Nebraska Act**

**Exemptions**

V1-2 Basic provisions and tax base

(See separate publication  
for estimates of exemptions)